ललित नारायण मिथिला विश्वविद्यालय

कामेश्वरनगर, दरभंगा

डॉक्टर ऑफ फिलासफी (पी-एच० डी०) उपाधि हेतु पंजीयन के लिये

प्रारम्भिक आवेदन-पत्र

१. अपना पूरा अथवा मिश्र घर का पता, वर्तमान पता Name, home address and occupation alongwith present address.

Dhirendra Kumar Roy, At - Kharaj, P.O. - Chhachha, via. Raiyam Factory, Keoti, Darbhanga Bihar-847337,
Asst. Professor, Dept. of Commerce, R.K. College Madhubani

२. शैक्षणिक योग्यता उपाधियों की प्राप्ति का वर्ष ? विश्वविद्यालय के नाम और परीक्षोत्तीर्णता का वर्ग के साथ उल्लेख शिक्षण का अनुभव, यदि हो- Academic qualification, degrees obtained with class and year, name of the University and teaching exprience, If any.

M.Com., L.N.M. University, Darbhanga
1st, Passing year - 2006.
from 02 July 2019 to till date

३. विषय, नाम और विवरण सहित जिस पर शोध करना अभिप्रेत हो। (विषय की रूपरेखा भी अलग से दो प्रतियाँ संलग्न करनी चाहिए) A Statement of the problem on which prosposes to work (Two copies of synopsis also should be submitted separately).

" Liquidity & Profitability of selected FMCG Companies during economic cycle: An Appraisa.

४. इसके पूर्व का शोध-कार्य यदि सम्पन्न हुआ हो Previous research work done, if any :-

—— NO

५. इसके पहले क्या शोध-कार्य के लिए इस विश्वविद्यालय में आवेदन किया गया था ? यदि आवेदन किया गया था, तो उसका क्या परिणाम हुआ ? Whether ny application for Research-work was submitted previously to this University ? if so, with what result ?

—— NO

६. यदि कोई प्रायोगिक कार्य भी करना हो, तो उस प्रयोगशाला का नाम और उस संस्था के विभागीय अध्यक्ष से उनके उपयोग की अनुमति का पत्र तथा तत्संबंधी प्रयोग के लिए उपस्करों आदि की पर्याप्तता-सूचक विवरणी - In case of any practical work to be done, the name of the laboratory and the consent of the Head of the Institution and a statement from the Head as to the sufficiency of the apparatus for the purpose.

—— NO

७. शोध निर्देशक का नाम-
उपाधिगत योग्यता, शिक्षण-अनुभव एवं निर्देशन की स्वीकृति (अनुमति सूचक पत्र संलग्न रहे)
Supervisor's name his qualification, teaching experience and his consent (Letter of consent to be supplied).

Dr. K K. Chaudhary, Asst Professor
Dept of Commerce, M.L.S.M. College
Darbhanga

८. ल०ना०मिथिला विश्वविद्यालय की पंजीयन संख्या, पंजीयन के वर्ष के साथ-
Registration No. of L. N. Mithila University with year.

13640/98

९. प्रारंभिक पंजीयन शुल्क ३००) रू० जमा करने की तिथि
Date of depositing Rs. 300/- as preliminary Registration fee.

१०. आवेदक ल०ना०मिथिला विश्वविद्यालय के कॉलेज के प्राध्यापक हैं अथवा पूर्णतः नियुक्त शोध-छात्र ?
Whether he is a lecturer in a college/ Department under L. N. Mithila University or a whole time research Scholar ?

yes, R.K. College, Madhubani

११. अन्य ज्ञातव्य सूचनाएँ, यदि हो ।
Any other relevent matter. ——

19/04/2024
आवेदन की तिथि
Date of submission

Dhirendra Kumar Roy
आवेदक का हस्ताक्षर
Signature of applicant

आवश्यक निर्देश

(१) यह आवेदन-पत्र पूर्णरूप से भरकर संलग्नकों के साथ संबंधित विषय में स्नातकोत्तर विभाग के अध्यक्ष के द्वारा शोध के विषय की रूपरेखा स्वीकृत कराकर इस कार्यालय में भेजें ।

(२) आप अपने कार्यालय के अनुमति-पत्र के साथ इस आशय का पत्र भेजें कि आप शोध-कार्य की अवधि में उसी स्थान पर रहेंगे जहाँ आपके निर्देशक आपको रहने के लिए निर्देशित करें ।

(३) अगर आप इस (ल० ना० मिथिला) विश्वविद्यालय के पंजीकृत छात्र हैं तो पंजीयन संख्या सूचित करें; परन्तु यदि यहाँ के पंजीकृत छात्र आप नहीं है तो जिस विश्वविद्यालय में आपने अध्ययन किया था, वहाँ का प्रव्रजन प्रमाण-पत्र (मूल प्रति) और पंजीयन के लिए विहित आवेदन-प्रपत्र भरकर निर्धारित शुल्क के साथ भेजें ।

(४) पी-एच० डी० के लिए प्रारंभिक पंजीयन शुल्क ३००) रूपये इस कार्यालय में जमा करें।

(५) अपनी मास्टर डिग्री की अभिप्रमाणित प्रतिलिपि भेजें ।

(६) अपने शोध के विषय पर एक संक्षिप्त टिप्पणी (जो अधिक से अधिक पचास शब्दों की हो) तैयार कर निर्देशक द्वारा स्वीकृत कराकर भेजें । यह 'अन्तर विश्वविद्यालय बोर्ड ऑफ इण्डिया ऐंड सिलोन' को भेजा जायेगा ।

आपका विश्वस्त,
कुलसचिव

L.N.M.U. Press (Offset), K.Nagar, Darbhanga - UJ 03/17-18-5,000

Ph. D. Research Proposal

Doctoral Program in Commerce

LIQUIDITY & PROFITABILITY OF SELECTED FMCG COMPANIES DURING ECONOMIC CYCLE: AN APPRAISAL

Head & Director
Dept. of Comm & Bus Admn
L. N. Mithila University
DARBHANGA

DEAN
Faculty of Commerce
LNMU, Darbhanga

Department of Commerce and Business Administration

Lalit Narayan Mithilia University, Darbhanga

Guide and Supervisor

Dr. K. K. Chaudhary

Assistant Professor

Department of Commerce

M. L. S. M. College

Darbhanga.

Scholar:

Dhirendra Kumar Roy

PAT Roll No.: E2204010(2021-22)

S/O Ram autar Roy

Vill. - Kharaj, P.O.- Chhachha, Via- Raiyam

Factory, Darbhanga, Bihar-847337

LIQUIDITY & PROFITABILITY OF SELECTED FMCG COMPANIES DURING ECONOMIC CYCLE: AN APPRAISAL

INTRODUCTION:

FMCG (Fast Moving Consumer Goods) are one of the most influencing sectors in the Stock Market. It offers the kind of product which can be sell at low cost and quickly i.e. food, medicine, beverages, cosmetics and toiletries. These companies have a huge demand and opportunity India due to growing population, income, changing lifestyle and increasing urbanization.

Unlike other company the FMCG companies also need adequate working capital that can be utilize to produce goods. These companies use different financial resources i.e. external and internal sources of fund. So, these companies face the problems related to manage the liquidity due to occur of economic fluctuation i.e. economic boom and economic downturn.

Working Capital Management refers to the administration of all components of working capital – cash, marketable securities, debtors (receivables), stock (inventories) and creditor (payables). Empirical observations show that the financial managers have too much of their time to the daily internal operations relating to current assets and current liabilities of the Firms. Investment in current assets represents very significant portion of the total investment in assets. Large and medium public limited companies in India, current assets constitute about 60% of total assets or total capital Employed. Working capital could be financed through external and internal resources of fund. If a firm financed their liquidity through internal sources of funds, they need less effort to minimize risk associated with it, i.e., retained earnings. When a firm used external sources of fund to finance the liquidity, firms need greater effort to minimize risk associated with it.

19-04-2024.

19/04/2024

LITERATURE REVIEW:

Matis Braun and Borja Larrain (2005) conducted a study about Finance and the business cycle and stated that there is a link between external dependency of firm for financing needs and business cycle in short-term.

Dr. A.N. Tamragundi and Purushottam N Vaidya(2016) conduct a study on liquidity and profitability relationship among ten leading FMCG in India and find a significant and positive relationship.

Dr. Ashok Kumar panigrahi investigated relation of Cash conversion cycle and firm's profitability and find a significant positive relationship between the lengths of cash conversion cycle and the profitability of firms in terms of return on assets and return on equity.

Sweta Mehrotra conducted an analysis of working capital trends and liquidity of FMCG sector in india and find FMCG can generate cash so quickly they have a negative working capital because company products are delivered and sold to the customers before the company even pays for them.

Savarum Goswami and Aniruddha sarkar examined that there is a negative relationship between Liquidity and Profitability on based of data of Air India, Kinfisher airlines and Jet Airways and reported a positive association.

Osama Sahail Hyajneh & Fatima Laheen Ait Yassine conducted a study about the impact of working capital efficiency and profitability on Joradanian manufacturing firms and concluded that there is a negative significance relation between ARCP, ACIP, APP and Profitability. And also proved that a negative relationship between CCC and Profitability for all regression models.

Prakash chawla,sandhya harkawat,and Ilas khairnar investigated relation of working capital management and profitability and find a strong negative relationship between the measure of working capital management including , average collection period, inventory turnover in days, and average payment period and cash conversion cycle with corporate profitability.

19.09.2024 19/09/2024

STATEMENT OF RESEARCH PROBLEM:

Companies use different sources of fund i.e. external and internal sources to finance the working **capital.** Business cycles affect all sources of fund irrespective of business nature. Retained earnings **are** favorable and important sources of funding to working capital but business cycle also affects it through its affect economic growth and sales.

There are large numbers of literature that examined the relationship between working capital management and corporate liquidity, profitability and solvency. But there are little numbers of literature on working capital that examined the impact of business cycle on working capital.

An early study by Mervill & Tavis (1973) examined the relationship between working capital policy and Business cycle. Recent studies have investigated about link between external dependency of firm for financing needs and business cycle in short-term (Braun & Larrian 2005), the influence of business indicators and working capital management (chiou, cheng & wu 2006).

There is small no., to the best of my knowledge has examined /investigated the simultaneous working capital-profitability and business cycle effects. So, there is a substantial gap in the literature which this paper will seek to fill.

We want to examine the relationship between "Liquidity and profitability during the different phases of economic cycle".

Our research problem is "Have the economic cycle/Economic fluctuations influence to the liquidity and profitability of FMCG companies in Inda?".

19.04.2024.

19/04/2024

OBJECTIVES OF STUDY:

1. To analyze the relationship between Liquidity and profitability.
2. To find out impact of different components of Liquidity on profitability.
3. To analyze the impact of Economic Cycle on Liquidity and profitability.
4. To analyze the signification of relationship between liquidity and Profitability during the economic downturns and economic booms.

HYPOTHESES DEVELOPMENT:

A hypothesis is a tentative solution of the proposed problem of the topic selected for research would test for validity later on the study. The basic hypotheses are as follow:

H01: There is no significant relationship between Liquidity and Profitability.

H02: There is no relationship between Liquidity and profitability during Economic downturn.

H03: There is no significant relation between Liquidity and Profitability during economic Boom.

19.04.2024

19/04/2024

WORK PLAN FOR THE STUDY

The preparation of a chapter outline is a useful step in preparation of a draft outline of thesis. It stands as a guide for plan of the work. Proposed study would be divided in the following chapters:

CHAPTER: 1 Introduction

CHAPTER: 2 Liquidity and Profitability: A Conceptual issues

CHAPTER: 3 FMCG: An overview

CHAPTER: 4 Liquidity and Profitability of selected FMCG companies during Economic Cycle: An appraisal

CHAPTER: 5. Findings, Conclusion and Suggestions

- APPENDICES
- BIBLIOGRAPHY
- INDEX

RESEARCH METHODOLOGY:

We will use a sample of FMCG Sector Company which is listed on BSE, using and extended period between the years 2008 to 2022. The study uses secondary data that have been extracted from annual reports of the selected FMCG companies. Companies react strongly to changes in the business cycle, as observed from the volatility of BSE, stock index. It can be observed that index usually declines in poor economic states, but also makes fast recoveries. The sample of this study will cover five (5) BSE listed FMCG companies. The selected FMCG companies are given below that we will use to collect data such as ANNUAL REPORT, BALANCE SHEET AND PROFT/LOSS ACCOUNT:

14.04.2024

19/04/2024

RESEARCH METHODOLOGY:

HINDUSTAN UNILEVER LTD., NESTLE INDIA, BRITAANIA INDS, GODREJ CONSUMER AND DABUR INDIA.

Research design is the blue print for the research. To study the proposed of the topic concerned in an in-depth manner, descriptive analysis would be followed up to the conclusive research.

1. DATA COLLECTION
   Secondary Data:

   Secondary data will collect through printed Annual Reports of FMCG Companies, Policy Statements of Govt. publications and Economics survey of concerned financial years published by Ministry of finance, Govt. of India.

2. Analysis of Data: Mean, Standard Deviation and Regression analysis will use to find out the relationship between liquidity and profitability. And also use regression analysis to find the impact of economic downturn and boom on liquidity & profitability relationship.
3. Hypothesis Test: T-test, Chi-squared Test and ANOVA.

USEFULNESS/IMPORTANCE:

This investigation will have practical uses especially in financial crisis and distress state of global economy. The liquidity of companies is under intense pressure and cash has become scarce resources due to tight credit market conditions and decreased demand. The efficient working capital management is necessary to curb this problem. And this study helps to understand the importance of Liquidity not only in times of distress, but as daily routine.

19.04.2024.

Dhirendrakumar Roy
19/04/2024

REFRENCES:

LITERATURES:

1. Matias Braun and Borja Larrain. Finance and the Business cycle: International , inter-industry Evidence *http://econwpa.repec.org/eps/fin/papers/0403/0403001.pdf (09/06/2015)*
2. Dr. A.N. Tamragundi and Purushottam N Vaidya, Liquidity – Profitability Relationship: A Study of Ten Leading FMCG Companies In India. International Journal of Management, 7(7), 2016, pp. 363–369. http://iaeme.com/Home/issue/IJM?Volume=7&Issue=7
3. Sweta Mehrotra. Capital Working trends and liquidity analysis of Fmcg sector in india, *http://www.iosrjournals.org/iosr-jbm/papers/Vol9-issue4/F0944552.pdf*
4. Julius Enqvist, Michael Graham & Jussi Nikkinen (2012). The impact of Working Capital Management on firm profitability in different Business cycle: Evidence from Finland , *SSRN-id1794802.pdf*
5. Mihir Dash & Rani Hanuman . A liquidity-profitability trade- off model for working capital management. *SSRN-id1408722.pdf*
6. Enyi Patrick Enyi :Applying relative solvency to working capital management. *SSRN-id744364.pdf*
7. Pedro Juan Gracia –Teruel & Pedro Martinez-Solano: Effects of working capital management on SME profitability. *SSRN-id894865.pdf*
8. Dr. Ioannis Lazarids & Deimitrios : the relationship between working capital management and profitability of listed companies in the Athens Stock Exchange. *SSRN-id931591.pdf*
9. Prof. Kalpesh P Prajapati & Prof. Ritesh J. Patel : A comparative study on working capital management of selected steel companies o India. *Asian Journal of Research in Business Economics and Management, volume 2, issue 7(July 2012).*
10. Ms. Rajani Sofat : A study of liquidity, profitability and risk analysis of cement industries in India. *International Journal of research in Commerce and Management, volume no. 1(2010), issue no.4 (August).*
11. Syed Azhar & B.Ramesh : working capital management and profitability-A case study of Andhra Pradesh power generation corporation, *International Journal of research in Commerce and Management, volume no. 2(2011), issue no.12 (December).*

Dhirendrakumar Roy
19/04/2024

19.04.2024

12. **Dr. A. Vijayakumar** : Cash conversion cycle and corporate profitability –an empirical enquiry in indian automobile firms, *International Journal of research in Commerce and Management, volume no. 1(2011), issue no.2 (July).*

13. **Prakash chawla,sandhya harkawat,and Ilas khairnar** : working capital management and profitability-case of Indian petrochemicals company –RIL, HPCL, GAIL, *International Journal of research in Commerce and Management, volume no. 1(2010), issue no.6 (October).*

BOOKS AND ARTICLES:

I M Pandey, Financial Management, 10th edition, Vikas Publising House Pvt. Ltd.

Dr. P. Sravnan, Managing working capital in times of Slowdown. SSRn-id1716986.pdf

19.04.2024

Guide and Supervisor

Dr. K. K. Chaudhary

Assistant Professor

Dept. of Commerce

M. L. S. M. College

Darbhanga

Dhirendrakumar Roy

Scholar: 19/04/2024

Dhirendra Kumar Roy

PAT ROLL NO. E2204010(2021-22)

S/O Ram autar Roy

vill.- Kharaj, P.O.- Chhachha. Via- raiyam

Factory, P. S.- Keoti, Darbhanga, Bihar-847337